



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

May 27, 2014

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From: William T Fujioka  
Chief Executive Officer

## SACRAMENTO UPDATE

### Executive Summary

This memorandum contains reports on the following:

- **Pursuit of County Position to Support AB 2231 (Gordon, Levine, and Patterson).** This measure would reinstate the Senior Citizens and Disabled Citizens Property Tax Postponement Program to provide for the deferment of property taxes for seniors and disabled persons. Therefore, unless otherwise directed by the Board, consistent with existing policy to support proposals to provide housing and related supportive service needs of low and moderate income families and the needs of special populations, including elderly, disabled, and mentally ill persons, **the Sacramento advocates will support AB 2231.**
- **Status of County-Sponsored Legislation**
  - **County-co-sponsored AB 1607 (Fox)** – related to Sexually Violent Predators, passed the Assembly on May 23, 2014 and it now proceeds to the Senate.
  - **County-sponsored SB 955 (Mitchell)** – related to authorization for wiretaps in human trafficking cases, passed the Senate on May 27, 2014 and it now proceeds to the Assembly.
  - **County-sponsored SB 1388 ((Lieu, Hill and Mitchell))** – related to increased financial penalties for solicitation of a minor, passed the Senate on May 27, 2014 and it now proceeds to the Assembly.

*"To Enrich Lives Through Effective And Caring Service"*

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- **Status of County-Advocacy Legislation.** Updates on the status of five County-Advocacy bills related to: 1) membership of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority; 2) licensing of alcoholism and drug abuse treatment facilities; 3) two measures regarding the Alameda Corridor fee collection structure; and 4) disposal of home-generated pharmaceutical waste.

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### **Pursuit of County Position on Legislation**

**AB 2231 (Gordon, Levine, and Patterson)**, which as amended on April 21, 2014, would reinstate the Senior Citizens and Disabled Citizens Property Tax Postponement (PTP) Program to provide for deferment of property taxes for qualified seniors and disabled persons.

The Senior Citizens and Disabled Citizens Property Tax Postponement (PTP) Program, originally enacted in 1977, allowed eligible homeowners to defer payment of all, or a portion of, their residential property taxes. Under the program, the State paid the property taxes owed to the counties on behalf of the eligible homeowners as a low-interest State loan. The State loan was then repaid, with interest, once the homeowner's property was transferred or sold, often when the owner had passed away. Eligible participants of the program included individuals over 62 years of age and eligible blind and disabled persons, regardless of age. To participate in the program, claimants must have had 20 percent equity in their homes and an annual household income of \$39,000 or less. AB 2231 seeks to reinstate the PTP Program which was suspended in February 2009 due to the State's fiscal crisis.

In addition to reinstating the Senior Citizens and Disabled Citizens Property Tax Postponement Program, AB 2231 would: 1) establish the Senior Citizens and Disabled Citizens PTP Fund (Fund) to pay the administrative costs and disbursements related to the postponement of property taxes for eligible applicants; 2) require PTP loan payments and funds resulting from the voluntary sale of a property that has a lien to be deposited directly into the Fund; 3) require any monies in excess of \$10.0 million in the Fund to be transferred to the State General Fund; 4) require PTP Program participants to have 40 percent equity in their homes; 5) require county tax collectors to, within 60 days, notify the State Controller's Office of any properties with a PTP Program lien that have become tax defaulted; and 6) require the State Controller to provide county tax collectors with information required to prepare for and enforce the sale of tax-defaulted property – subject to the request of county tax collectors and their certification under penalty of perjury that the information is being requested for this specific purpose.

According to the author of AB 2231, this bill would give seniors and disabled Californians some financial flexibility and allow those on fixed-incomes unable to pay their property taxes to stay in their homes. In addition, the measure would incorporate changes to the suspended PTP program that secure the PTP Fund and ensure the program's long-term sustainability.

In 2011, the Legislature enacted AB 1090 (Chapter 369, Statutes of 2011), which established the County Deferred PTP Program for senior citizens and disabled persons and allowed each county to elect to participate in the program. The County Deferred PTP Program was introduced in response to the negative impacts resulting from the suspension of the State-administered PTP Program and to meet the needs of eligible, qualified claimants. Unlike the State-administered PTP Program, which was funded entirely through the State General Fund, the County Deferred PTP Program is completely self-funded with participating counties providing PTP loans with county funds. Under the County Deferred PTP Program, the property tax loans/deferrals and the interest accrued are secured by a tax lien against the underlying residential dwelling.

While AB 1090 provides a mechanism to offer financial assistance to help senior and disabled persons remain in their homes, counties must elect to participate in the program; therefore, many low-income property owners are unable to receive this assistance. Los Angeles County does not currently participate in the County Deferred PTP Program because counties are not given priority lien status on property tax postponements under the program.

According to the Treasurer and Tax Collector (TTC), the establishment of the PTP Fund under AB 2231 would be a major improvement to the former PTP Program in that the Fund would allow the PTP Program to become a self-sustaining program. TTC notes that, in the final two years of the State's previous PTP Program, approximately 1,100 County residents participated in the program.

The Assessor's Office indicates that prior to its suspension in 2009, the PTP Program was a valuable program or option to many financially vulnerable senior citizens in Los Angeles County. The program made it possible for many seniors, who otherwise would have been financially compelled to move, to remain in their homes. According to the Assessor's Office, AB 2231 would not have any direct programmatic or fiscal impact on their operations.

AB 2231 is identical to: 1) ABX1 34 of 2011, which was vetoed by Governor Brown due to State Budget constraints; 2) **County-supported AB 1029 of 2010**, which failed to

move off the Assembly Appropriations Suspense File; and 3) **County-supported AB 1322 of 2013**, which failed to move off the Assembly Appropriations Suspense File.

This office, the Treasurer and Tax Collector, and the Assessor's Office support AB 2231. Therefore, unless otherwise directed by the Board, consistent with existing policy to support proposals to provide housing and related supportive service needs of low and moderate income families and the needs of special populations, including elderly, disabled, and mentally ill persons, **the Sacramento advocates will support AB 2231.**

AB 2231 is sponsored by the California Association of County Treasurers and Tax Collectors and is supported by the California State Association of Counties and the California Taxpayers Association. There is no registered opposition on file.

AB 2231 passed the Assembly Appropriations Committee by a vote of 17 to 0 on May 23, 2014. This measure now proceeds to the Assembly Floor.

#### **Status of County-Sponsored Legislation**

**County-co-sponsored AB 1607 (Fox)**, which as amended on May 6, 2014, would clarify the process by which the county of domicile is determined for a Sexually Violent Predator (SVP) being considered for conditional release and require the county or counties alleged to be the county of domicile to be given notice of a domicile hearing and allow the county or counties to be given an opportunity to submit declarations and present documentary evidence as to the issue of domicile. Once domicile has been established, AB 1607 would allow the designated attorney of the county of domicile to later elect to represent the State at the SVP conditional release hearing. AB 1607 passed the Assembly Floor by a vote of 75 to 0 on May 23, 2014. This measure now proceeds to the Senate.

**County-sponsored SB 955 (Mitchell)**, which as introduced on February 6, 2014, would add human trafficking to the list of offenses for which interception of electronic communications (wiretaps) may be ordered, passed the Senate by a vote of 32 to 0 on May 27, 2014. This measure now proceeds to the Assembly.

**County-sponsored SB 1388 (Lieu, Hill and Mitchell)**, which as amended on May 20, 2014, would set the minimum fine for conviction of pimping of a minor at \$5,000, maintains the maximum fine of \$20,000, and would establish a fine of not less than \$1,000 but not more than \$10,000 for anyone convicted of soliciting a minor. Additionally, SB 1388 would make a person who seeks to purchase or who purchases a commercial sex act guilty of a misdemeanor punishable in a county jail for

at least 48 hours, but not more than six months, and by a fine of at least \$1,000 and not more than \$50,000, passed the Senate by a vote of 34 to 0 on May 27, 2014. This measure now proceeds to the Assembly.

### **Status of County-Advocacy Legislation**

**County-opposed AB 1941 (Holden)**, which as amended on March 24, 2014, would expand the Los Angeles County Metropolitan Transportation Authority Board from 14 to an unspecified number of members, including an unspecified number of public members appointed by the Mayor of the City of Los Angeles and an unspecified number of members appointed from other cities in the County, was held in the Assembly Transportation Committee without a hearing. This measure will not proceed this year.

**County-supported AB 2374 (Mansoor)**, which as amended on May 6, 2014, would: 1) require the California Department of Health Care Services (DHCS) to design its death investigation policy to ensure that the death of a resident of a licensed alcoholism or drug abuse recovery and treatment facility is reported by the licensed facility and addressed by DHCS in a timely manner; 2) specify the content of required telephonic and written reports of events or incidents occurring in a licensed facility; and 3) prohibit DHCS from licensing a alcoholism or drug abuse recovery and treatment program that does not, prior to registering or certifying a counselor, consult with the available electronic databases of the other department-approved counselor registration and certification organizations to determine whether the person has ever had his or her registration or certification as a counselor revoked, passed the Assembly Floor by a vote of 73 to 0 on May 23, 2014. This measure now proceeds to the Senate.

**County-opposed AB 2541 (Hall)**, which as amended on March 28, 2014, would alter the Alameda Corridor fee collection structure by requiring the Alameda Corridor Transportation Authority to contract with an independent third-party collection agency to collect user fees, was held in the Assembly Transportation Committee without a hearing. This measure will not proceed this year.

**County-opposed SB 925 (Wright)**, which as introduced on January 29, 2014, would alter the Alameda Corridor fee collection structure by requiring the Alameda Corridor Transportation Authority to contract with an independent third-party collection agency to collect user fees, was held in the Senate Rules Committee. This measure will not proceed this year.

**County-supported SB 1014 (Jackson)**, which would have enacted the Home-Generated Pharmaceutical Waste Collection and Disposal Act to require: 1) a producer of certain pharmaceuticals to submit a product stewardship plan for the disposal of

Each Supervisor  
May 27, 2014  
Page 6

home-generated pharmaceutical waste to the California Department of Resources Recycling and Recovery (DRRR) by July 1, 2015; 2) a pharmaceutical producer, upon submission of the product stewardship plan, to pay a fee set by the DRRR; and 3) an entity operating a product stewardship plan to take certain actions with regard to the disposal of home-generated pharmaceutical waste and to promote product stewardship programs to consumers, pharmacists, retailers of covered pharmaceuticals, and health care practitioners as to the proper and safe method to dispose of home-generated pharmaceutical waste, among other provisions, was amended on April 21, 2014.

As amended, SB 1014 would authorize the establishment of a voluntary program to collect and dispose of home-generated pharmaceutical waste based on program regulations adopted by the DRRR. The regulations would require program participants to: 1) provide, at no additional cost to the consumer, for the safe take-back and proper disposal of pharmaceuticals that the participant sells or previously sold; 2) ensure the protection of the public health and safety of consumers and employees; 3) protect against the potential for the diversion of pharmaceutical waste for unlawful use or sale; and 4) provide notices and materials to consumers that provide information about the potential impacts of improper disposal of and return opportunities for home-generated pharmaceutical waste.

This office, the Department of Public Health, the Department of Public Works, and the Sheriff's Department continue to support SB 1014 as amended. Therefore, unless otherwise directed by the Board, consistent with existing policy to support legislation that places greater emphasis on producer/manufacturer responsibility for the environmental impact of their products and the waste that is produced, and shifts end-of-life management and financial responsibilities from local governments to producers, in order to reduce public costs and encourage improvements in product design that promote environmental sustainability, **the Sacramento advocates will continue to support SB 1014.**

SB 1014 passed the Senate Appropriations Committee, by a vote of 5 to 1 on May 23, 2014. This measure now proceeds to the Senate Floor.

We will continue to keep you advised.

WTF:RA  
MR:KA:IGEA:lm

c: All Department Heads  
Legislative Strategist  
Local 721  
Coalition of County Unions